



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Adopt resolution authorizing City Manager to execute agreement with the World of Wonder Science Museum for an option to lease and a subsequent lease of retail space in the Lodi Station Parking Structure.

MEETING DATE: August 2, 2006

PREPARED BY: City Manager

RECOMMENDED ACTION: Adopt resolution authorizing City Manager to execute agreement with the World of Wonder Science Museum for an option to lease and a subsequent lease of retail space in the Lodi Station Parking Structure.

BACKGROUND INFORMATION: During the May 17, 2006 City Council meeting, members of the World of Wonder Science Museum (WOW) Board of Directors presented conceptual plans to establish a science museum in the 12,000 square feet of available retail space in the Lodi Station Parking Garage. Council directed the City Manager to enter into negotiations with WOW and the attached Option to Lease and corresponding Lease have been drafted for approval.

The Option allows the WOW to raise the finances necessary to construct tenant improvements for the operation of a science museum and science store in the retail space owned by the City of Lodi. The Option sets forth a requirement that the WOW will raise a minimum of \$165,000 in cash for the purpose of constructing the tenant improvements called for in the lease in a period of no more than 180 days. It is anticipated the WOW Science Museum will secure commitments for in-kind assistance and additional cash to complete the tenant improvements. If the Museum completes the conditions of the option agreement, they may execute a lease agreement. No rent will be required to be paid until the tenant improvements described in the lease are completed, or, 12 months from the lease commencement date, whichever is earlier.

A conceptual timeline for the project would reflect the following time increments:

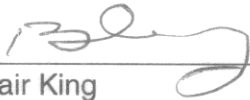
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|---|--------------------|
| • Option to Exercise lease and raise the required \$165,000 | 6 months (maximum) |
| • Term of Lease | 6 years |
| • Option to Extend lease (2 successive 5-year terms) | 10 years |

The Tenant Improvements shall include an 800 square foot Museum Store, a public lobby and exhibit hall, classroom, public restrooms, office space, all mechanical, electrical, telecommunications, and utilities required to support the space and function. All Tenant Improvements shall comply with regulations and requirements of the City of Lodi Building Division and the Fire Marshall.

APPROVED: 
Blair King, City Manager

The corresponding lease specifies that the Science Museum and Science Store shall be open to the public a minimum of 33 hours per week, at least 12 of which shall fall on a weekend, and of those hours, no less than six shall be on Sunday.

FISCAL IMPACT: The WOW shall pay rent to the City in the amount of \$1,000 per month, which is the equivalent of \$1.25 per square foot per month for the estimated 800 square foot museum store. The WOW's monthly rental payment shall increase by 2.5% per year, except if the rate of inflation exceeds 6.5% in which case, the payment shall increase by 50% the rate of inflation. Revenues would benefit the City's Transit Fund and, pursuant to FTA regulations, cannot be incorporated as general City revenues.



Blair King
City Manager

Attachments

cc: Sally Snyder, President, The Worlds of Wonder Science Museum

OPTION TO LEASE

WORLD OF WONDERS SCIENCE MUSEUM

=====

THIS OPTION TO LEASE AGREEMENT, entered into this 2nd day of August, 2006, by and between the CITY OF LODI, a municipal corporation ("City"), and the World of Wonders Science Museum, a California Nonprofit Corporation (Tax ID No. 20-3075595) ("The WOW") shall be as follows:

WHEREAS, the purpose of this Option is to allow The WOW to raise the finances necessary to construct Tenant Improvements for the operation of a Science Museum and Museum Store in the Lodi Parking Structure space owned by the City; and

WHEREAS, the proposed relationship and arrangement described herein are in the best interests of the City, The WOW and the people of Lodi by combining the efforts of both local government and the private sector; and

WHEREAS, The WOW's construction of the Tenant Improvements for and operation of this facility in a City building will provide long term tangible benefits to the citizens of Lodi by assuring them of a place to obtain education opportunities.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. GRANT OF OPTION. The City hereby grants to The WOW the exclusive right to lease, upon the terms set forth in the Lease Agreement attached hereto as Exhibit A ("Lease"), the approximately 12,000 square feet (more or less) located in the Lodi Parking Structure, more particularly described in the diagram attached hereto as Exhibit B and incorporated by reference as if fully set forth herein ("Premises"). This Option shall commence as of the date of the full execution of this Option and expire 180-days following its execution.

2. CONDITION OF OPTION.

It shall be an express condition precedent to the right of The WOW to exercise this Option that The WOW shall have raised the sum of \$165,000 in cash for the purpose of constructing the Tenant Improvements called for in the Lease. The determination of The WOW's performance of this obligation shall be made in the sole and absolute discretion of the City Manager.

3. EXERCISE OF OPTION. This option may be only exercised in writing. The Notice of Exercise shall set forth the commencement of the Lease.

4. TERM.

This Option will expire 180-days following the execution thereof by the parties.

5. NOTICES.

All notices required under this Option or the Lease shall be given in writing, by first-class mail with postage prepaid to the following addresses:

City shall be: City Manager
P.O. Box 3006
Lodi, CA 95241-1910

The WOW shall be: World of Wonders Science Museum
P.O. Box 1671
Woodbridge, CA 95258

6. FEDERAL TRANSPORTATION ADMINISTRATION REVIEW.

The parties acknowledge that the Lease is subject to review by the Federal Transportation Administration (FTA) and must satisfy FTA requirements and be acceptable to FTA in accordance with the FTA Master Agreement regarding the Lodi Parking Structure.

7. CALIFORNIA LAW.

This Option shall be construed in accordance with the laws of the State of California.

8. SEVERABILITY.

If any term of this Option is found to be void or invalid, such invalidity shall not affect the remaining terms of this Option, which shall continue in full force and effect.

9. ENTIRE AGREEMENT.

This Option constitutes the entire understanding and agreement between the parties hereto. There shall be no modifications without the written consent of both parties. The titles contained in this Option are provided for convenience only and are not controlling in any interpretation hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove mentioned.

CITY OF LODI,
a municipal corporation

World of Wonders Science Museum,
a California Nonprofit Corporation

BLAIR KING, City Manager

By Sally Snyder
SALLY SNYDE
President

ATTEST:

Jennifer Perrin, Interim City Clerk

APPROVED AS TO FORM:

JANICE D. MAGDICH
Deputy City Attorney

EXHIBIT A

(Lease Agreement – World of Wonders Science Museum)

LEASE AGREEMENT

WORLD OF WONDERS SCIENCE MUSEUM

=====

THIS LEASE AGREEMENT, entered into this ____ day of _____, 2006, by and between the CITY OF LODI, a municipal corporation ("City"), and the World of Wonders Science Museum, a California Nonprofit Corporation (Tax ID No. 20-3075595) ("The WOW" or "Lessee") shall be as follows:

WHEREAS, the purpose of this Agreement is to allow the construction of Tenant Improvements for and the operation of a Science Museum and Museum Store by The WOW in the Lodi Parking Structure space owned by the City; and

WHEREAS, the proposed relationship and arrangement described herein are in the best interests of the City, The WOW and the people of Lodi by combining the efforts of both local government and the private sector; and

WHEREAS, The WOW'S construction of the Tenant Improvements for and operation of this facility in a City building will provide long term tangible benefits to the citizens of Lodi by assuring them of a place to obtain education opportunities.

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. DEMISED PREMISES.

The premises demised hereunder shall constitute approximately 12,000 square feet (more or less) located in the Lodi Parking Structure, more particularly described in the diagram attached to the Option to Lease as Exhibit B and incorporated by reference as if fully set forth herein ("Premises").

2. USES ALLOWED.

The WOW agrees that it will use the Science Museum constructed under the provisions of this Lease for the citizens of Lodi, to provide place of scientific learning for Lodi Citizens of all ages.

3. HOURS OF OPERATION.

The Science Museum and the Museum Store shall be open to the public a minimum of thirty three (33) hours per week, at least 12 hours of which shall fall on a weekend, and of those hours, no less than six (6) hours shall be on Sunday. As used in this paragraph, "Open to The Public" means open to any person seeking admission to the Science Museum or the Museum Store off the street. However, this paragraph shall not prevent The WOW from charging a fee for admission to the Science Museum.

4. MUSEUM STORE.

The Museum Store may be open hours in addition to the minimum hours set forth in Paragraph 3 above, but the store must be open at least the same hours as those of the Science Museum. The Museum Store shall be operated in a professional manner with competent retail management and the goods carried for sale in the Museum Store shall compliment the educational objectives of the Science Museum.

5. TERM.

The term of this Lease shall be for a period of six (6) years commencing _____ and ending _____, pursuant to the provisions of Government Code Section 37380.

The WOW shall have the option to extend this lease on the same terms and conditions set forth in this agreement for two successive five year terms, provided the WOW

- A) has complied with all obligations under this agreement and
- B) provides two months written notice of its intent to exercise the option.

6. RENT.

Upon completion of the Tenant Improvements and issuance of the Certificate of Occupancy, or 12 months from the Lease commencement date, whichever is earlier, The WOW shall pay rent in the amount of \$1,000.00 monthly (which is the equivalent of \$1.25 per square foot rent per month for the estimated 800 square foot Museum Store.) to City.

The WOW's monthly rental payment shall increase by 2.5% per year, except if the rate of inflation exceeds 6.5% in which case the payment shall increase by 50% the rate of inflation.

7. TENANT IMPROVEMENTS.

a. Tenant Improvements. Tenant Improvements for The Science Museum shall be provided for and funded by The WOW. Construction of Tenant Improvements shall commence upon issuance of a building permit by CITY. Tenant Improvements shall be constructed in similar form and content to The Plan attached to the Option to Lease as Exhibit "C" and incorporated by reference herein as though fully set forth, and shall include, but not be limited to, the following components:

- i. An 800 square foot Museum Store.
- ii. Public lobby and Exhibit hall.
- iii. Classroom.
- iv. Public restrooms.
- v. Office space.
- vi. All mechanical, electrical, telecommunications, and utilities required to support the above spaces and functions.
- vii. Compliance with regulations and requirements of the City of Lodi Building Division and the Fire Marshall.

b. Security for Tenant Improvements. The WOW shall post security with City in the sum of \$165,000 in a form acceptable to the City Attorney upon the execution of this Lease. The security will be forfeited to the City in the event The WOW fails to comply with its Tenant Improvement obligations but will be returned in the event The WOW fully complies with its Tenant Improvement obligations.

c. Construction Timeline. The parties anticipate that Tenant Improvements will be completed within seven (7) months of the execution of this Lease, but in no event shall such improvements be completed later than February 28, 2008. Failure of The WOW to complete construction of Tenant Improvements as set forth above shall be deemed a material breach of this Option and the Lease.

8. OWNERSHIP OF IMPROVEMENTS UPON TERMINATION OR EXPIRATION OF LEASE.

It is agreed between the parties that upon the expiration or termination of this Lease, the parties shall in good faith attempt to renegotiate an agreement to continue similar uses to those specified in Paragraph 2 above. However, upon surrender, termination or expiration of this Lease, ownership of the Tenant Improvements shall vest in the City.

9. PARKING.

The Lease does not include dedicated parking spaces within the parking structure, but does include the availability of parking on the same terms and conditions as provided to the general public, with the following exceptions:

- (a) Required disabled persons parking spaces may be designated on the ground level; and
- (b) Specific spaces for loading or other purposes may be approved by the City recognizing the higher priority of transit dedicated parking spaces.

The City also reserves the right to remove stalls from public use and to designate stalls for specific purposes, including, but not limited transit uses.

10. USE OF FACILITIES BY CITY.

The first priority for all uses of the facility built on the Premises shall be for the operation of The WOW's own programs; however, the City may use the facility at such reasonable times when no other activities are scheduled by The WOW, and City shall pay to The WOW a fee intended to be minimal, and covering only necessary costs of operation and maintenance as determined by The WOW.

11. ABANDONMENT/CESSATION OF USE BY THE WOW.

Any cessation of use by The WOW for a continuous period of ninety (90) days or more shall allow City, within its discretion, to operate the facility. The parties hereto may mutually agree at any time that the City may assume operation of the facilities.

In the event of the City's declaration of abandonment or cessation of use, The WOW can cure such default and resume operations by demonstrating that it has on hand the projected operating cost for a twelve (12) month period. In the event of cessation or abandonment of operations under this Lease for a period of three (3) months, the City may deem the Lease null and void within its sole discretion.

12. MAINTENANCE OF FACILITIES.

The WOW shall be responsible for all Tenant Improvements constructed hereunder. City shall be responsible for the maintenance and upkeep of all improvements constructed by the City.

13. UTILITIES/MISCELLANEOUS COSTS.

The WOW shall be responsible during the term of the Lease for all utility costs, including water, sewer, refuse, gas and electricity. The WOW shall also be responsible for the interior maintenance of the Premises, and all janitorial and cleaning expenses associated with the maintenance thereof.

14. DESTRUCTION OF PREMISES.

In the event that the Premises is totally destroyed by any causes whatsoever prior to the commencement of or during the term of this Lease, this Lease shall immediately terminate and no party shall have any rights or be under further obligation, except for rent accrued prior to destruction. CITY shall refund to The WOW any unearned rent. Total destruction of the Premises shall be defined as any destruction sufficient to make the Premises no longer suitable for the conduct of business as intended by this Lease.

In the event that the Premises is partially destroyed by any cause whatsoever, CITY, with reasonable promptness, shall repair and rebuild same provided that it may be repaired and rebuilt under State and Municipal laws and regulations within ninety (90) working days, and The WOW shall pay rent during such period of repair or rebuilding in proportion to the square footage of The Premises actually being occupied and used by The WOW. In the event of partial destruction of the Premises, The WOW shall be responsible for reconstruction or replacement of the Tenant Improvements identified herein.

15. ASSIGNMENT AND SUBLETTING.

The WOW shall not assign or sublet the whole or part of the Premises.

16. ENTRY BY CITY.

CITY may enter the Premises with consent of The WOW or upon written notice to The WOW (twenty-four (24) hours shall be deemed reasonable advance notice) for the purposes of reasonable inspection, making repairs, alteration or additions, to show the Premises to prospective purchasers, or mortgagees, or any other valid and reasonable business purpose. Entry shall be made during regular business hours. In the event of any emergency such as a fire, CITY may enter the Premises without consent or prior notice. The WOW may re-key the locks to any or all exterior access doors with City's consent, which shall not be unreasonably withheld.

17. INSURANCE.

Lessee is required to carry a policy of Comprehensive General Liability insurance in compliance with all of the provisions of the "Risk Transfer Requirements For Lease or Use of City of Lodi Facilities, attached to the Option to Lease as Exhibit "D" and incorporated herein by reference as if fully set forth herein.

18. HOLD HARMLESS.

City and The WOW hereby agree to save, defend and hold harmless the other for any suit or cause of action arising exclusively from the negligence or alleged negligence of the indemnifying party, its agents, officers and employees, including reasonable attorneys' fees.

19. TERMINATION/SURRENDER.

Lessee may at any time after completion of construction of the Tenant Improvements under this Lease terminate or surrender such Lease with the written consent of City upon six (6) months' written advance notice. Otherwise, Lessee shall not vacate, abandon, terminate nor surrender the Premises at any time during the term hereof and if Lessee shall abandon or vacate the Premises, or be dispossessed by

process of law or otherwise, all personal property belonging to Lessee left upon the Premises shall be deemed abandoned at the option of City.

20. NO ENCUMBRANCE BY THE WOW OF THE PREMISES.

The WOW shall in no way encumber, mortgage or hypothecate nor pledge as security for any debt all or any portion of the Premises demised hereunder nor improvements thereon, including Tenant Improvements, except with the written consent of City.

21. MECHANIC'S LIEN.

The WOW agrees to keep the Premises free from all liens and claims of mechanics, laborers, material suppliers, and others for work done, and material furnished, and Lessee shall not create, or suffer to be created, any lien or encumbrance on said Premises.

22. NOTICES.

All notices required under this Lease shall be given in writing, by first-class mail with postage prepaid to the following addresses:

City shall be: City Manager
 P.O. Box 3006
 Lodi, California 95241-1910

THE WOW shall be: World of Wonders Science Museum
 P.O. Box 1671
 Woodbridge, CA 95258

23. APPROVAL OF CONSTRUCTION PLANS BY CITY PRIOR TO CONSTRUCTION OR REMODEL.

The WOW shall work cooperatively with City Management on the development of Tenant Improvements. Prior to the commencement of construction, reconstruction, or substantial remodeling of the Premises, The WOW will submit such plans in advance to the City for approval. The WOW will be responsible for all applicable development fees and permits.

24. ACCEPTANCE OF PREMISES.

The WOW has examined the Premises, knows the conditions thereof, and accepts possession thereof in its condition.

25. WAIVER.

Failure of City to insist upon performance of any of the terms or conditions of this Lease in any one or more instances shall in no event be construed as a waiver or a relinquishment of its right to future performance thereof, and Lessee's obligations to such future performance shall continue in full force and effect. The receipt by City of rent, with the knowledge of the breach of any agreement or condition hereof, shall not be determined to be a waiver of any such breach.

26. BANKRUPTCY, RECEIVERSHIP, AND INSOLVENCY.

If Lessee should make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or be adjudicated bankrupt or insolvent, or permit a receiver to be appointed to take possession of a substantial portion of its assets or of the premises, and such bankruptcy, insolvency, or receivership proceeding shall not be dismissed within ninety (90) days, then City may, without notice or demand, terminate this Lease and forthwith reenter and repossess the Premises, and remove all persons There from, and under no circumstances shall this Lease be assignable or transferable by operation of law.

27. FEDERAL TRANSPORTATION ADMINISTRATION REVIEW.

The parties acknowledge that this Lease is subject to review by the Federal Transportation Administration (FTA) and must satisfy FTA requirements and be acceptable to FTA in accordance with The FTA Master Agreement regarding the Lodi Parking Structure.

28. CALIFORNIA LAW.

This Lease shall be construed in accordance with the laws of the State of California.

29. SEVERABILITY.

If any term of this Lease is found to be void or invalid, such invalidity shall not affect the remaining terms of this Lease, which shall continue in full force and effect.

30. ENTIRE AGREEMENT.

This Lease constitutes the entire understanding and agreement between the parties hereto. There shall be no modifications without the written consent of both parties. The titles contained in this Lease are provided for convenience only and are not controlling in any interpretation hereof.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first hereinabove mentioned.

CITY OF LODI,
a municipal corporation

World of Wonders Science Museum,
a California Nonprofit Corporation

BLAIR KING, City Manager

By _____
SALLY SNYDE
President

ATTEST:

Jennifer Perrin, Interim City Clerk

APPROVED AS TO FORM:

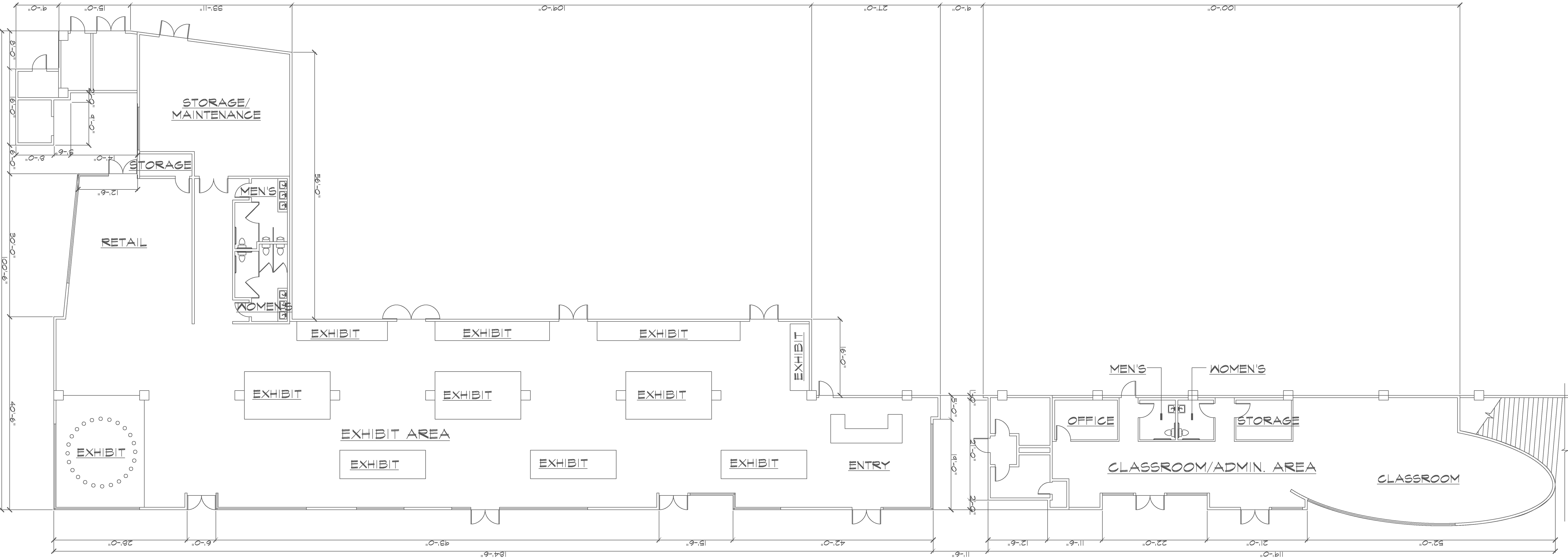
JANICE D. MAGDICH
Deputy City Attorney

EXHIBIT B

(Diagram of Premises Subject to Lease Agreement)

EXHIBIT C

(Plan re Tenant Improvements)



FLOOR PLAN

NORTH
3/32" = 1'-0"

LEGEND

EXISTING WALL

NEW WALL

EXHIBIT

REVISIONS	BY

MIKE SMITH
ENGINEERING, INC.

4 NORTH MAIN STREET
LODI, CALIFORNIA 95240
PHONE (209) 334-2332

TITLE:
FLOOR PLAN

PROJECT:
PROPOSED TENANT IMPROVEMENTS FOR:
WORLD OF WONDER
SCIENCE MUSEUM
PROJECT LOCATION:
---- SACRAMENTO STREET
LODI, CA

REGISTERED PROFESSIONAL ENGINEER
MICHAEL W. SMITH
NO. 0044590
EXP. 3-31-08
CIVIL
STATE OF CALIFORNIA

DRAWN
GGB

CHECKED
MS

DATE
4/6/06

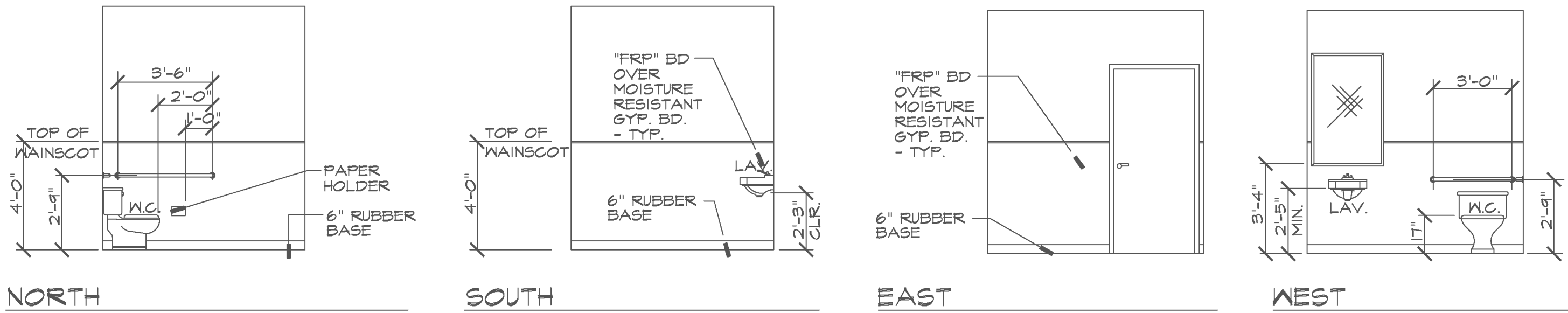
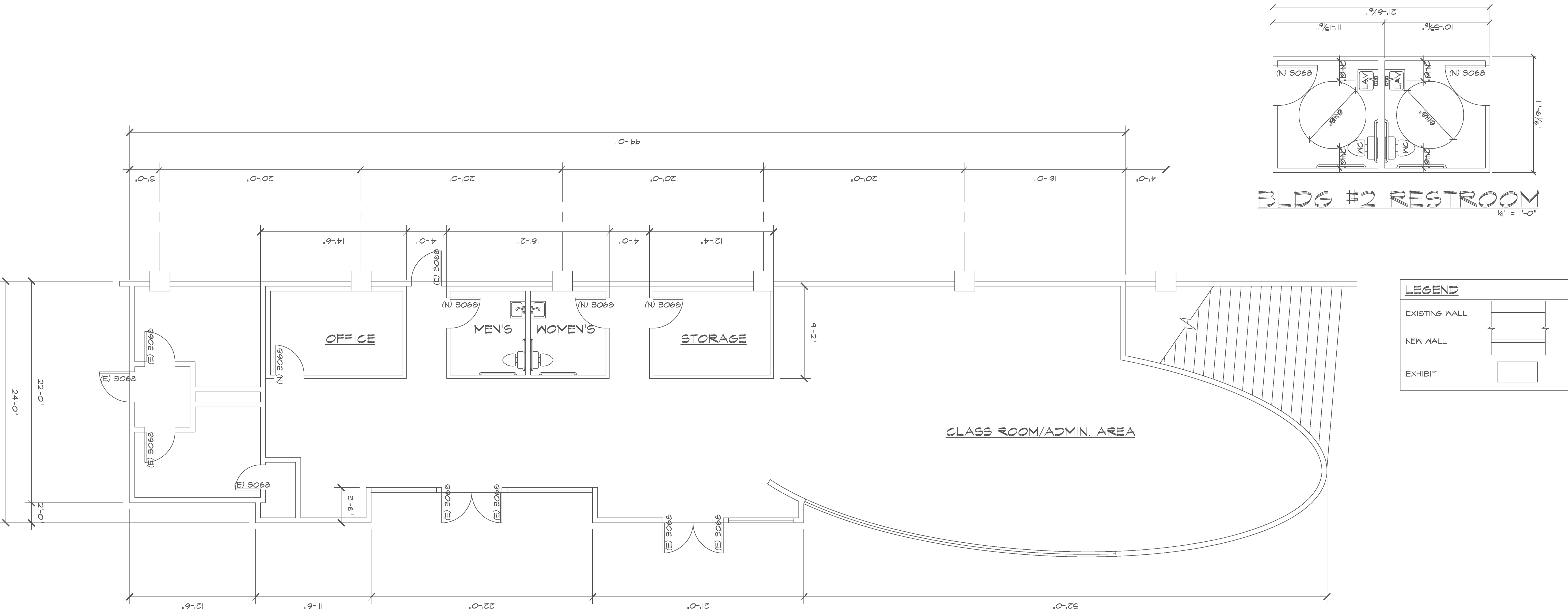
SCALE
AS NOTED

JOB NO.
06014

SHEET
A2

3 OF - SHEETS

FLOOR PLAN BLDG. # 2



INTERIOR ELEVATIONS

1/4" = 1'-0"

REVISIONS		BY

MIKE SMITH
ENGINEERING, INC.
4 NORTH MAIN STREET
LODI, CALIFORNIA 95240
PHONE (209) 334-2332

TITLE:
FLOOR PLAN BLDG. # 2
ENLARGED FLOOR PLAN
INTERIOR ELEVATIONS

PROJECT:
PROPOSED TENANT IMPROVEMENTS FOR:
WORLD OF WONDERS
SCIENCE MUSEUM
PROJECT LOCATION:
---- SACRAMENTO STREET
LODI, CA

REGISTERED PROFESSIONAL ENGINEER
MICHAEL W. SMITH
NO. 0044590
EXP. 3-31-08
CIVIL
STATE OF CALIFORNIA

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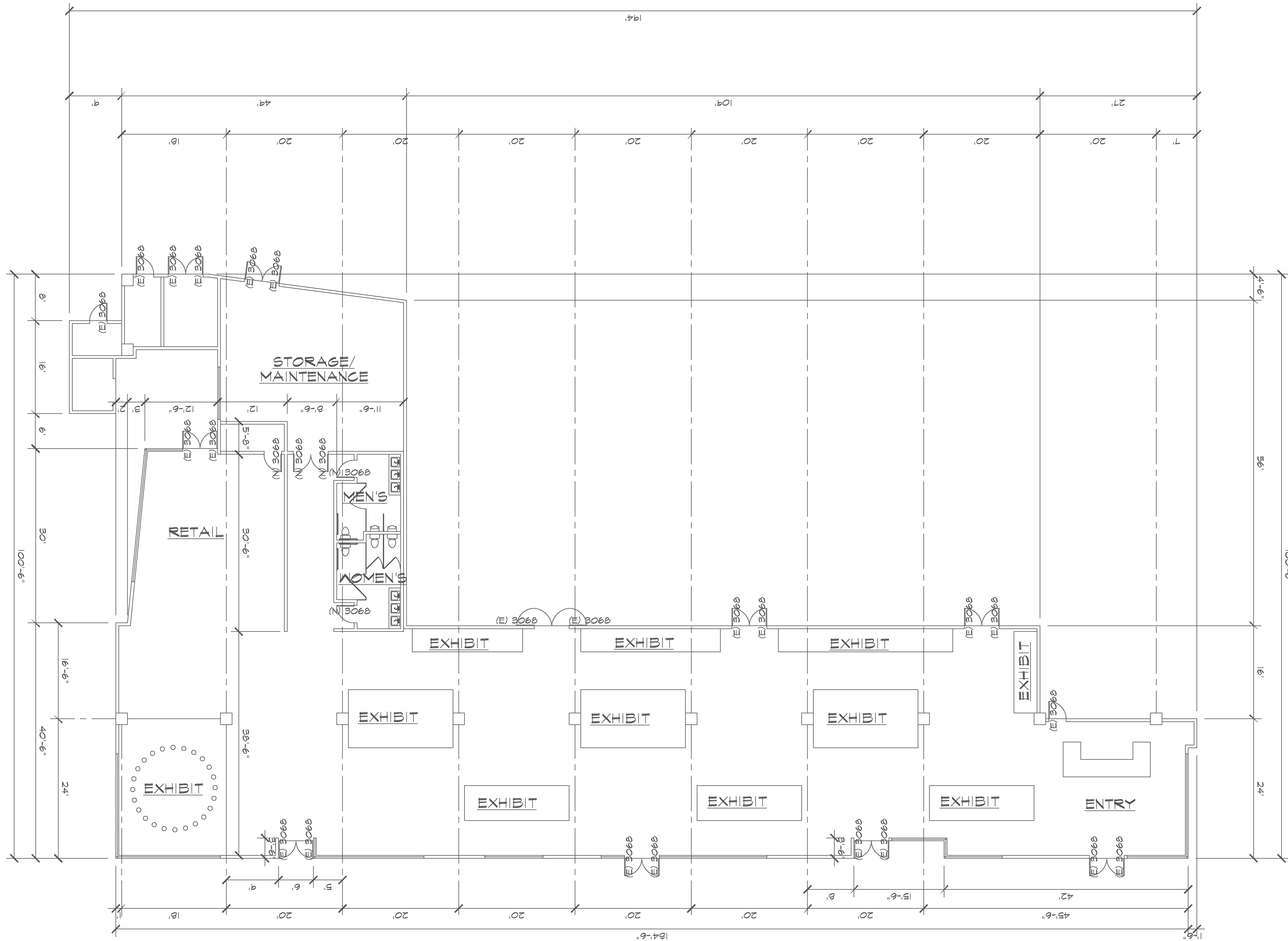
DATE
4/6/06

SCALE
AS NOTED

JOB NO.
06014

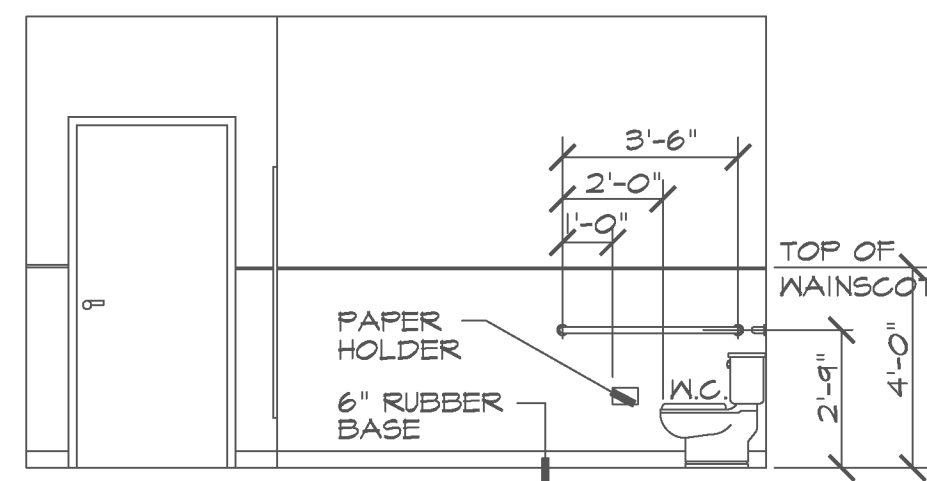
SHEET
A4

5 OF 5 SHEETS

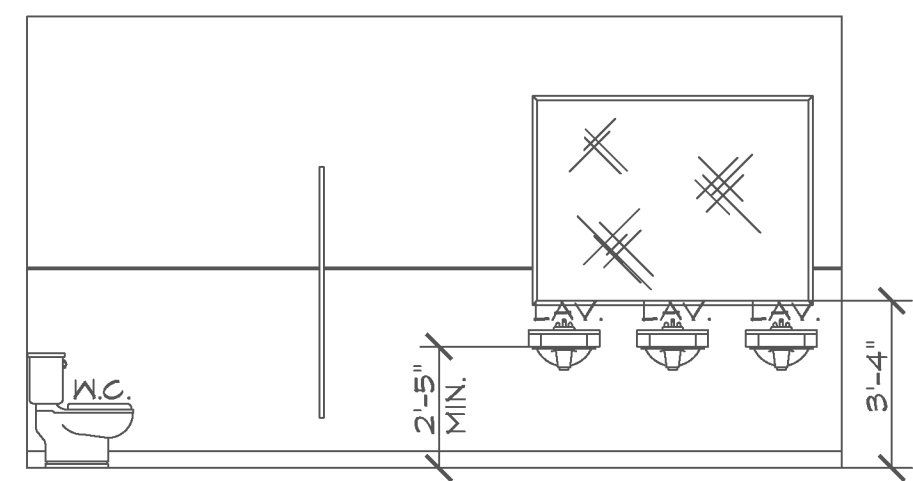


FLOOR PLAN BUILDING # 1

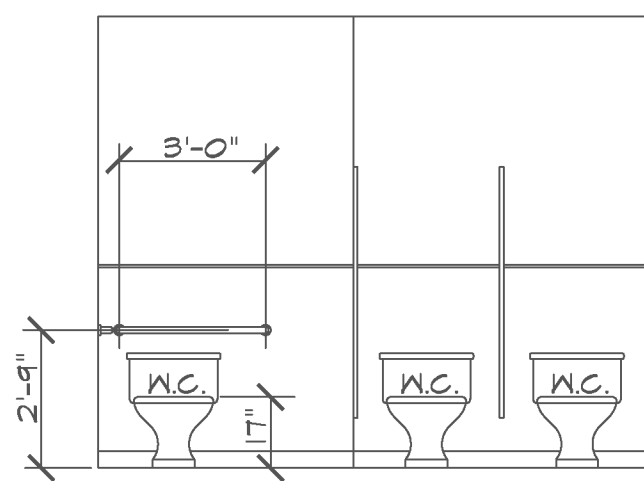
NORTH
3/32" = 1'-0"



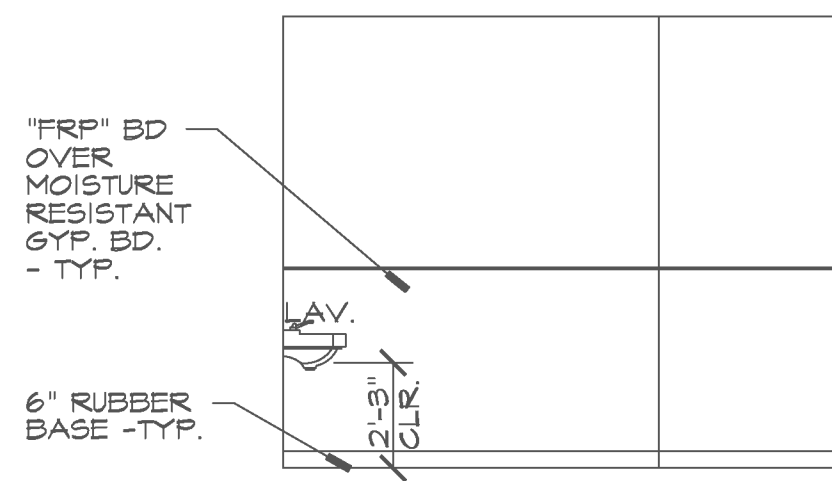
NORTH



SOUTH



EAST



WEST

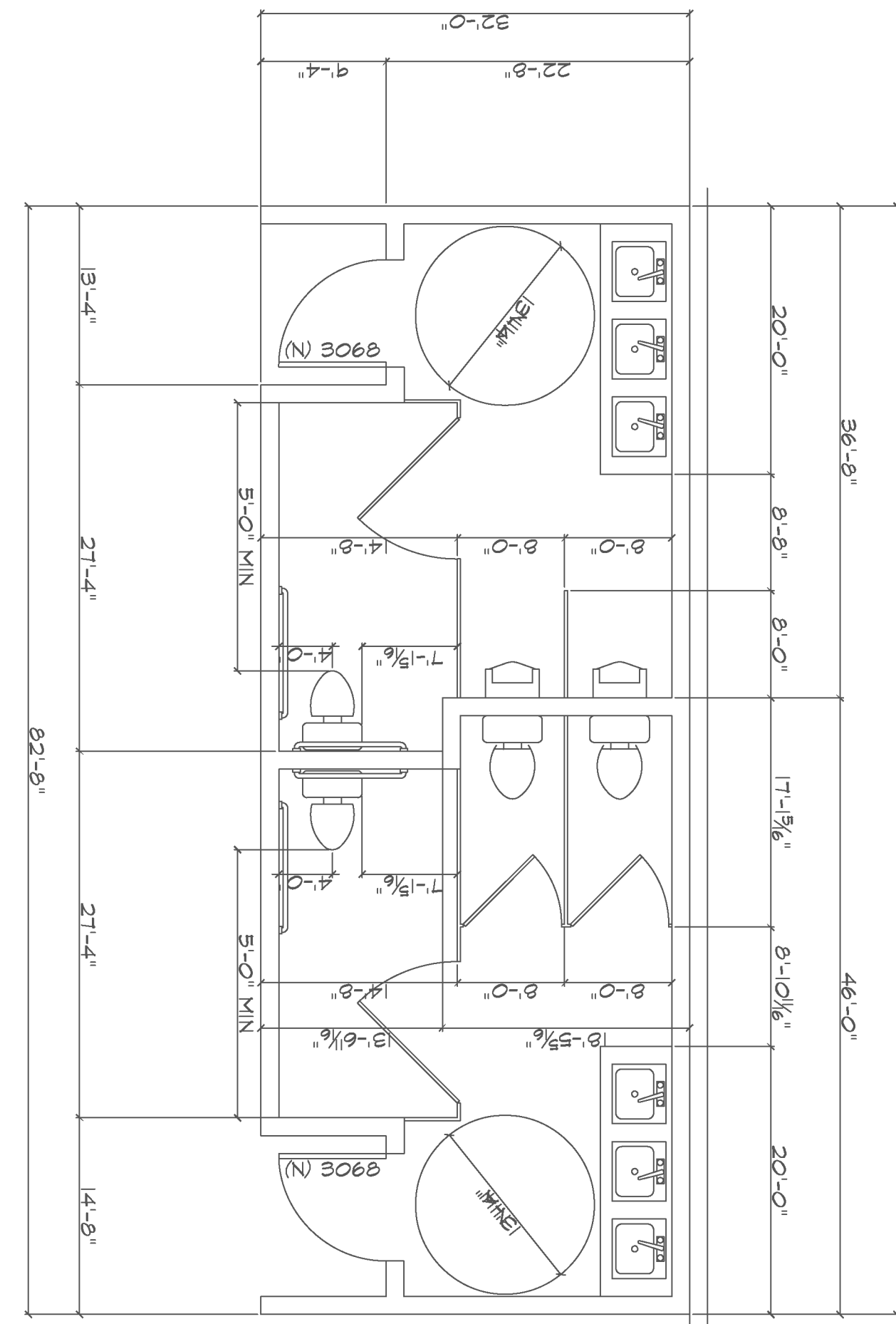
"FRP" BD
OVER
MOISTURE
RESISTANT
GYP. BD.
- TYP.

6" RUBBER
BASE -TYP.

INTERIOR ELEVATIONS
- WOMEN'S RESTROOM (MEN'S SIMILAR)

1/4" = 1'-0"

LEGEND	
EXISTING WALL	
NEW WALL	
EXHIBIT	

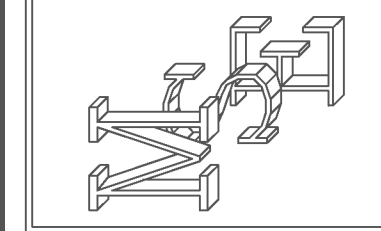


BLDG # RESTROOM

1/4" = 1'-0"

REVISIONS	BY

MIKE SMITH
ENGINEERING, INC.
4 NORTH MAIN STREET
LODI, CALIFORNIA 95240
PHONE (209) 334-2332



TITLE:
FLOOR PLAN BLDG. #1
ENLARGED FLOOR PLAN
INTERIOR ELEVATIONS

PROJECT:
PROPOSED TENANT IMPROVEMENTS FOR:
WORLD OF WONDERS
SCIENCE MUSEUM
PROJECT LOCATION:
---- SACRAMENTO STREET
LODI, CA



DRAWN GGB
CHECKED MS
DATE 4/6/06
SCALE AS NOTED
JOB NO. 06014
SHEET

A3
4 OF - SHEETS

EXHIBIT D

(Insurance Requirements)

EXHIBIT D

CITY OF LODI RISK TRANSFER REQUIREMENTS FOR LEASE OR USE OF CITY FACILITIES

1. Any individual party or group (hereinafter "The WOW") leasing, renting or otherwise using City of Lodi facilities, is required to carry a policy of Comprehensive General Liability insurance.
2. A duplicate or certificate of insurance shall be delivered to the City 30 DAYS prior to the use of City facilities.

NOTE: The WOW agrees and stipulates that any insurance coverage provided to the City of Lodi shall provide for a claims period following termination of coverage which is as lease consistent with the claims period or statutes of limitations found in the California Tort Claims Act (California Govt. Code § 810, et seq.).

"Claims made" coverage requiring the insured's to give notice of any potential liability during a time period shorter than that found in the Tort Claims Act shall be unacceptable.

3. Each insurance certificate shall contain satisfactory evidence that each carrier is required to give the City of Lodi immediate notice of the cancellation or reduction in coverage of any policy during the effective period of the use of the City's facilities.
4. Each insurance certificate shall state on its face or as an endorsement, the location or and a description of the function that it is insuring.
5. If the City has not approved the insurance certificate and appropriate application or permit prior to the commencement of any portion of the function, the City's facilities will not be allowed to be utilized, and any contract or agreement entered into will become null and void.
6. Provided the lease agreement or contract does not prohibit a subtenant, all provisions of these requirements shall apply to and be construed as applying to any subtenant of the The WOW.
7. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

8. In each and every instance, the City of Lodi must be named as an additional insured on the face of the insurance certificate or as an endorsement attached to the insurance certificate. (The City of Lodi, its Elected and Appointed Boards, Commissions, Officers, Agents and Employees, must be named the additional insured, not Hutchins Street Square, Parks and Recreation, or another individual or department).
9. The address of the City of Lodi must be shown along with number 8 above, (i.e. Additional Insured, City of Lodi, its Elected and Appointed Boards, Commissions, Officers, Agents and Employees, 221 W. Pine Street, Lodi, Ca. 95240) This must be the street address NOT the post office box.
10. In addition to the Additional Names Insured Endorsement on The WOW's policy of insurance, said insurance policy shall be endorsed to include the following language or reasonable facsimile:
"Such insurance as is afforded by the endorsement for the Additional Insured's shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."
11. The combined single limits for bodily injury and property damage shall not be less than \$1,000,000 each occurrence. If alcohol is to be consumed or sold at the The WOW's event, then liquor liability coverage must be provided.
12. The Policy effective date and expiration date must coincide with and span the date(s) of the event being insured.
13. If the limits of coverage are not the amounts specified in Section 10 and 11 above and/or if the City is not named as an additional insured on the insurance certificate, not in conformance with the requirements of paragraph 2 above, the City will not accept the insurance certificate, and a corrected certificate must be furnished to the City prior to any use of City facilities.
14. If a corrected insurance certificate and appropriate application or permit is not received by the City of Lodi prior to the use of City facilities, the City will not allow the facilities to be used, and any agreement or contract entered into will become null and void.

RESOLUTION NO. 2006-150

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE AGREEMENT WITH THE
WORLD OF WONDERS SCIENCE MUSEUM FOR OPTION TO
LEASE AND SUBSEQUENT LEASE OF RETAIL SPACE IN THE
LODI STATION PARKING STRUCTURE

=====

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute Lease Option Agreement and subsequent Lease Agreement between City of Lodi and World of Wonders (WOW) Science Museum, for retail space located in the Lodi Station Parking Structure; and

BE IT FURTHER RESOLVED that the WOW Science Museum shall pay a monthly rental fee to the City in the amount of \$1,000 per month, which is the equivalent of \$1.25 per square foot per month for the estimated 800 square foot museum store; and

BE IT FURTHER RESOLVED that the WOW Science Museum's monthly rental payment shall increase by 2.5% per year, except if the rate of inflation exceeds 6.5%, in which case the payment shall increase by 50% of the rate of inflation; and

BE IT FURTHER RESOLVED that pursuant to Federal Transit Administration regulations, rent revenues will only benefit the City Transit Fund and not be incorporated into the City of Lodi General Fund.

Dated: August 2, 2006

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I hereby certify that Resolution No. 2006-150 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 2, 2006, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hansen, Johnson, Mounce,
and Mayor Hitchcock

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


JENNIFER M. PERRIN
Interim City Clerk